

**HOUSING AUTHORITY OF THE
CITY OF WESTWEGO, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012**

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
The Housing Authority of the
City of Westwego, Louisiana
Westwego, Louisiana

We have audited the accompanying financial statements of, the business-type activities, of The Housing Authority of the City of Westwego, Louisiana, herein referred to as "the Housing Authority" as of and for the year ended June 30, 2012, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of, the business-type activities, of the Housing Authority, as of June 30, 2012, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

To the Board of Commissioners
The Housing Authority of the
City of Westwego, Louisiana

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2012, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 4 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information, in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority's financial statements as a whole. The Schedule of Capital Fund Activity and Financial Data Sheets are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The Schedule of Capital Fund Activity and Financial Data Schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records

To the Board of Commissioners
The Housing Authority of the
City of Westwego, Louisiana

used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Paciera, Gautreau & Priest, LLC

December 6, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Housing Authority of the City of Westwego's financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2012. Please read it in conjunction with the Authority's financial statements which begin on page 7.

FINANCIAL HIGHLIGHTS

- The Authority's net assets decreased by 1.35% as a result of this year's operations.
- During the year, the Authority had operating and non-operating revenues that were \$167,031 less than the \$1,707,214 in operating and non-operating expenses. This compares to last year when revenues exceeded expenses by \$1,195,064.
- Total cost of all of the Authority's programs decreased by \$68,160 or 3.84% over the fiscal year ending June 30, 2011.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Fund Net Assets provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances.

Reporting the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Authority as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Fund Net Assets report information about the Authority as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's *net assets* and changes in them. You can think of the Authority's net assets—the difference between assets and liabilities—as one way to measure the Authority's financial health, or *financial position*. Over time, *increases or decreases* in the Authority's net assets are one indicator of whether its *financial health* is improving or deteriorating.

Proprietary Funds

The Housing Authority of the City of Westwego, Louisiana (the Housing Authority) was created pursuant to the adoption of the United States Housing Act of 1937 to engage in the acquisition, development, and administration of a low income housing program to provide safe, sanitary, and affordable housing to the citizens of Westwego, Louisiana.

- Proprietary Funds—These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Fund Net Assets.

The Housing Authority's *combined* net assets decreased by \$167,031 from a year ago.

Proprietary Funds - continued

	<u>Net Assets</u>	
	<u>FYE 6/30/12</u>	<u>FYE 6/30/11</u>
Current, non-current and restricted assets	\$ 2,505,095	\$ 2,538,920
Capital assets	<u>9,874,156</u>	<u>9,979,764</u>
Total Assets	12,379,251	12,518,684
Liabilities	<u>205,530</u>	<u>177,932</u>
	<u>\$12,173,721</u>	<u>\$12,340,752</u>
Net assets:		
Invested in capital assets	\$ 9,874,156	\$ 9,979,764
Restricted	800,000	1,600,000
Unrestricted	<u>1,499,565</u>	<u>760,988</u>
Total net assets	<u>\$12,173,721</u>	<u>\$ 12,340,752</u>

	<u>Changes in Net Assets</u>	
Operating Revenues	\$ 1,460,380	\$ 1,567,102
Operating Expenses	<u>1,707,214</u>	<u>1,775,374</u>
Operating Income (Loss)	(246,834)	(208,272)
Non Operating Revenues & Expenses	<u>79,803</u>	<u>1,403,336</u>
Increase (Decrease) in Net Assets	<u>\$ (167,031)</u>	<u>\$ 1,195,064</u>

Business-type Activities

The Housing Authority's total revenues (excluding special items) decreased by 48.15 % (\$1,430,255). The total cost of all programs and services decreased by \$68,160 or 3.84 % with no new programs added this year. Rental revenues increased by \$41,153, revenues from the U.S. Department of Housing and Urban Development for capital funding decreased by \$1,323,147, and interest income and other charges to tenants increased by \$16,716. The operating subsidy grant decreased by \$164,977.

The Housing Authority's Funds

The Housing Authority only has one fund which is reported as a Proprietary Fund. The net assets of this fund decreased by \$167,031 during the fiscal year ending June 30, 2012.

Budgetary Highlights

The Housing Authority adopts an operating budget that serves as a management tool. For the fiscal year ended June 30, 2012, the operating budget was amended when the June 30, 2013 budget was approved.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2012, the Housing Authority had \$15,341,490 invested in Land, Buildings, Equipment & Furniture. This amount represents a net increase (including additions and deletions) of \$175,954 or 1.16% over last year.

	<u>FYE 6/30/12</u>	<u>FYE 6/30/11</u>
Land	\$ 2,264,014	\$ 2,264,014
Buildings	12,589,904	12,420,313
Equipment & Furniture	<u>487,572</u>	<u>481,209</u>
	<u>\$15,341,490</u>	<u>\$15,165,536</u>

Debt

The Housing Authority has accrued compensated absences of \$39,648, which \$22,599 is classified as a current liability and \$17,049 is classified as a non-current liability as of June 30, 2012.

Economic Factors and Next Year's Budget

The Housing Authority's appointed officials considered many factors when setting the fiscal year June 30, 2013 budget. The Board's understanding of the Federal Agency's requirements influences the setting of capital projects. Rental rates charged to tenants are set by Federal guidelines and therefore cannot be adjusted to maximize revenues. Salaries were adjusted using guidelines for Civil Service employees and merit increases for non-classified employees (the Executive Director and Assistant Director). The budget for fiscal year 2013 is planned to result in a healthy balance in undesignated net assets.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director at the Housing Authority of the City of Westwego, 1010 Sixth St., Westwego, La 70094.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

STATEMENT OF NET ASSETS
 PROPRIETARY FUND
 JUNE 30, 2012

ASSETS

Current assets:	
Cash and cash equivalents	\$ 1,169,305
Investments	345,349
Accounts receivable (net of allowance for doubtful accounts)	62,513
Accrued interest receivable	135
Prepaid insurance	77,699
Inventories	9,442
Total current assets	<u>1,664,443</u>
Non-current assets:	
Accounts receivable-tenants	<u>2,416</u>
Restricted assets:	
Cash and cash equivalents	<u>838,236</u>
Capital assets:	
Land, buildings and equipment, at cost less accumulated depreciation	<u>9,874,156</u>
Total assets	<u>12,379,251</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	122,209
Deferred revenue	5,437
Compensated absences	22,599
Total current liabilities	<u>150,245</u>
Liabilities payable from restricted assets:	
Tenant security deposits	<u>38,236</u>
Non-current liabilities:	
Compensated absences	<u>17,049</u>
Total liabilities	<u>205,530</u>
Net Assets	
Invested in capital assets, net of related debt	9,874,156
Restricted	800,000
Unrestricted	<u>1,499,565</u>
Total net assets	<u>\$12,173,721</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2012

Operating Revenues:	
Tenant rental revenue	\$ 880,434
Operating subsidy grant	536,562
Other revenue	43,384
Total operating revenues	<u>1,460,380</u>
Operating Expenses:	
Administrative salaries	191,867
Auditing fees	10,075
Employee benefits-administrative	34,659
Other operating-administrative	137,017
Water & Sewer	194,564
Electricity	37,730
Gas	89,438
Other utilities expense	59,919
Ordinary maintenance and operations-labor	208,161
Materials	91,084
Contract costs	157,215
Employee benefits-maintenance & operations	37,559
Insurance	127,051
Payment in lieu of taxes	29,982
Bad debt-tenant rents	6,909
Depreciation expense	293,984
Total operating expenses	<u>1,707,214</u>
Net operating (loss)	<u>(246,834)</u>
Non-Operating Revenues:	
Interest income	2,153
Capital fund grant revenue	77,650
Total non-operating revenues	<u>79,803</u>
Change in Net Assets	(167,031)
Net Assets-Beginning of Year	<u>12,340,752</u>
Net Assets-End of Year	<u>\$ 12,173,721</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

STATEMENT OF CASH FLOWS PROPRIETARY FUND YEAR ENDED JUNE 30, 2012

Cash Flows from Operating Activities:	
Dwelling rent receipts	\$ 882,244
Operating subsidy	1,039,370
Other income	43,384
Net tenant security deposits collected	950
Payments to employees	(401,611)
Payments to vendors and others	(941,644)
Payment in lieu of taxes	(29,983)
Net cash provided by operating activities	<u>592,710</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition of property, plant and equipment	(188,376)
Capital subsidy received	72,283
Net cash used by capital and related financing activities	<u>(116,093)</u>
Cash Flows from Investing Activities:	
Purchase of investments	(2,578)
Interest on investments	2,578
Net cash provided by investing activities	<u>0</u>
Net increase in cash and cash equivalents	476,617
Cash and cash equivalents:	
Beginning of year	1,530,924
End of year	<u>\$ 2,007,541</u>
Classification of Cash at End of Year:	
Current assets	\$ 1,169,305
Restricted assets	838,236
	<u>\$ 2,007,541</u>
Reconciliation of Net Operating Income to Net Cash	
Provided by Operating Activities	
Operating Activities:	
Net operating (loss)	\$ (246,834)
Adjustments to reconcile net operating loss to net cash provided by operating activities:	
Depreciation	293,984
Decrease in accounts receivable	509,269
Decrease in prepaid insurance	288
Decrease in inventories	4,791
Increase in accounts payable	29,540
(Decrease) in accrued wages	(1,583)
Increase in tenant security deposits	950
Increase in deferred revenue	2,305
Net cash provided by operating activities	<u>\$ 592,710</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FORMATION AND OPERATIONS

The Housing Authority of the City of Westwego, Louisiana (the Housing Authority) was created pursuant to the adoption of the United States Housing Act of 1937 to engage in the acquisition, development, and administration of a low income housing program to provide safe, sanitary, and affordable housing to the citizens of Westwego, Louisiana. Under the Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct oversight and financial responsibility for administering and overseeing low rent housing programs in the United States. To accomplish this task, HUD has entered into annual contributions contracts with the Housing Authority for the purpose of providing assistance to the Housing Authority to acquire, contract, and lease the housing units. The annual contributions or subsidies also aid in helping the Housing Authority maintain its low rent character.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separately appointed governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its budget and set rates or charges.

The Housing Authority is a related organization of the City of Westwego, Louisiana since the City appoints a voting majority of the Housing Authority's governing board. The Board is composed of five members who are appointed by the Mayor of the City of Westwego, Louisiana. Members serve four-year staggered terms. The City is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City.

B. MEASUREMENTS FOCUS BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

In accordance with Louisiana State Reporting Laws (LAS-R.S. 24:514), the accompanying financial statements of the Housing Authority have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Housing Authority reports under the governmental proprietary fund type (enterprise fund). Enterprise funds account for activities similar to those funds in the private sector, where the determination of net income is necessary or useful to sound financial administration. The focus for enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial advisor.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

B. MEASUREMENTS FOCUS BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION - Continued

The accompanying financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

In accordance with GASB Statement No. 20, the Housing Authority has elected to follow GASB statements issued after November 30, 1989, rather than the Financial Accounting Standards Board, in accounting for proprietary funds.

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits, cash on hand and time deposit accounts. The Housing Authority considers short-term (maturity of less than 90 days), highly liquid investments as cash equivalents. Under state law, the Housing Authority may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana Law and national banks having their principal offices in Louisiana.

D. INVESTMENTS

Investments are limited by R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments are 90 or more days, they are classified as investments; however, if the original maturities are less than 90 days, they are classified as cash equivalents. Investments are carried at fair market value.

E. INVENTORY AND PREPAID ITEMS

All inventories are valued on a first-in first-out (FIFO) basis. Inventories consist of expendable building materials and supplies held for consumption in the course of the authority's operations.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

F. CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the accompanying financial statements. Capital assets are stated at their historical cost or estimated historical cost if actual cost was not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Housing Authority maintains a threshold level of \$500 or more for capitalizing capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

F. CAPITAL ASSETS - Continued

Major outlays for capital assets and improvements are capitalized on the last day of the month in which the projects are completed. The results of that method do not differ materially from generally accepted accounting principles.

Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Furniture, office equipment	5
Motor Vehicles	5
Buildings	40
Equipment	5

G. COMPENSATED ABSENCES

The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate an unlimited number of annual and sick leave, however a maximum of three hundred hours of annual leave may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

In some cases, employees can earn compensatory time in lieu of overtime. For each hour worked over the scheduled hours, the employee earns 1 ½ hours of compensatory time.

H. LONG-TERM OBLIGATIONS

Long-term obligations, consisting of compensated absences, are expected to be financed from operating funds.

I. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues, expenditures, and expenses during the period. Actual results could differ from those estimates.

J. RESTRICTED ASSETS

Restricted assets consist of tenant deposits and funds restricted for future equipment and emergencies.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

K. ENCUMBRANCES

The Housing Authority does not utilize encumbrance accounting.

L. OPERATING AND NONOPERATING REVENUES

Operating revenues include rents received from tenants as well as operating subsidy grant funds received from HUD. Other income amounts are included as well.

Non operating revenue includes capital project fund grants received from HUD and interest income.

M. RESTRICTED NET ASSETS

Net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments or imposed internally, by the governing authority. Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

At June 30, 2012, the Housing Authority had cash and cash equivalents and investments (book balances) totaling \$2,352,890 as follows:

Petty cash and demand deposits unrestricted	\$ 1,169,305
Demand deposits restricted	838,236
Time deposits (maturity over 90 days) unrestricted	<u>345,349</u>
Total	<u>\$ 2,352,890</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2012, the Housing Authority had \$2,393,895 in deposits (collected bank balances). These deposits are secured from risk by \$2,298,546 of federal deposit insurance and \$95,349 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the Housing Authority will not be able to recover the value of its deposit or collateral securities that are in the possession of an outside party. The Housing Authority's bank balance of \$2,393,895 at June 30, 2012 is secured by pledged collateral held in joint custody. The Housing Authority has no formal policy regarding custodial credit risk.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2012

3. RECEIVABLES

The following is a summary of receivables at June 30, 2012:

	<u>HUD</u>	<u>Current Tenant</u>	<u>Non-Current Tenant</u>	<u>Other</u>
Accounts receivable	\$ 56,395	\$ 5,283	\$ 2,416	\$ 835

An allowance for doubtful accounts is used in the valuation of accounts receivable from tenants. As of June 30, 2012, \$8,156 was recorded as an allowance for doubtful accounts.

4. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2012.

	<u>Balance 07/01/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/12</u>
Land	\$ 2,264,014	\$ 0	\$ 0	\$ 2,264,014
Buildings	12,420,313	169,591	0	12,589,904
Furniture and Equipment Dwelling	272,591	11,982	12,422	272,151
Furniture and Equipment Administration	208,618	6,803	0	215,421
Totals	15,165,536	188,376	12,422	15,341,490
Less accumulated Depreciation	5,185,772	293,984	12,422	5,467,334
Capital assets, net	\$ 9,979,764	\$ (105,608)	\$ 0	\$ 9,874,156

Depreciation expense recorded for the year ended June 30, 2012 was \$293,984.

5. COMPENSATED ABSENCES

At June 30, 2012, employees of the Housing Authority have accumulated and vested \$39,648 of vacation benefits and compensatory time. This is classified on the Statement of Net Assets as \$22,599 as a current obligation and \$17,049 as a non-current obligation.

6. PENSION PLAN

The Housing Authority adopted the Housing-Renewal and Local Agency Retirement Plan which is a defined contribution plan. All full-time employees who have attained age 18 are required to participate in the plan after completing one year of continuous and uninterrupted employment. The employer is required to make monthly contributions equal to 7% of each participant's basic (excludes overtime) compensation. Employees are required to contribute 5% of their annual covered salary. Employees fully vest after 5 years of participating in the retirement plan. The Housing Authority contributed approximately \$25,546 to the pension plan. Plan members contributed approximately \$21,366 to the pension plan.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

7. RISK MANAGEMENT

The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

8. FEDERAL COMPLIANCE CONTINGENCIES

The Housing Authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing the Housing Authority's activities. These examinations may result in the Housing Authority receiving a lower HUD score and a reduced HUD subsidy.

9. ECONOMIC DEPENDENCY

The Housing Authority is economically dependent upon annual contributions and grants from HUD. HUD provided approximately 40% of the Housing Authority's revenue for the year ended June 30, 2012.

10. CONSTRUCTION COMMITMENTS

As of June 30, 2012, the Housing Authority was involved in one construction project in the amount of \$2,208,227. This contract is part of the capital fund programs.

11. RELATED PARTY TRANSACTIONS

The governing board of the Housing Authority receives a per diem of \$225 each month as long as they attend at least one meeting that month. For the year ended June 30, 2012 the related party transactions were:

<u>Name</u>	<u>Amount</u>
D. Thibodaux	\$ 2,700
E. LeBlanc	2,475
P. Morris	2,700
D. Fazande	2,700
R. LaGardelle	2,700
Total	<u>\$ 13,275</u>

No amounts were payable at June 30, 2012.

12. RESTRICTED NET ASSETS

During the fiscal year ended June 30, 2012, the Board of Commissioners restricted \$800,000 to be used for future equipment and emergencies.

PACIERA, GAUTREAU & PRIEST, LLC

KIRTH M. PACIERA, C.P.A.
RENE G. GAUTREAU, C.P.A.
TIMOTHY L. PRIEST, C.P.A.

MEMBERS OF
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(1905-1985)
KEITH T. HAMILTON, C.P.A.
(1932-2003)
LEROY P. LEGENDRE, C.P.A.
(Retired)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners
The Housing Authority of the
City of Westwego, Louisiana
Westwego, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities of The Housing Authority of the City of Westwego, Louisiana (the "Housing Authority"), as of and for the year ended June 30, 2012, which collectively comprise the Housing Authority's basic financial statements and have issued our report there on dated December 6, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting.

In planning and performing our audit, we considered the Housing Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are require to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Paciera, Gautreau & Priest, LLC

December 6, 2012

Paciera, Gautreau & Priest, LLC
Certified Public Accountants

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RENE G. GAUTREAU, C.P.A.
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INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Commissioners
The Housing Authority of the
City of Westwego, Louisiana
Westwego, Louisiana

Compliance

We have audited The Housing Authority of the City of Westwego, Louisiana's (the "Housing Authority") compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended June 30, 2012. The Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on the Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements and performing such other procedures

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Housing Authority's compliance with those requirements.

In our opinion, the Housing Authority, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2012-1.

Internal Control Over Compliance

Management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT, AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Paciera, Gautreau & Priest, LLC

December 6, 2012

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

<u>FEDERAL GRANTOR/PROGRAM NAME</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U. S. Department of Housing and Urban Development		
Public Housing— Operating Subsidy	14.850	\$ 536,562
Public Housing— Capital Fund Program	14.872	<u>77,650</u>
Total		<u>\$ 614,212</u>

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

NOTE A—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

SCHEDULE OF CAPITAL FUND ACTIVITY
YEAR ENDED JUNE 30, 2012

The following capital fund program are reported in the June 30, 2012 report:

<u>Project No.</u>	<u>LA48P011501-10</u>
Funds Approved	\$ 511,439
Funds Advanced	<u>511,439</u>
Funds Remaining	\$ <u>0</u>
 Funds Advanced	 \$ 511,439
Funds Expended	<u>511,439</u>
 Excess (Deficiency)	 \$ <u>0</u>

The Comprehensive Grant Program LA48P011501-10 was completed with all budgeted amounts expended and the Actual Cost Modernization Cost Certificate submitted to the Department of Housing and Urban Development on July 13, 2012.

THE HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

Section I – Summary of Auditor's Reports

1. The auditor's report expresses an unqualified opinion on the financial statements of The Housing Authority of the City of Westwego, Louisiana.
2. No material weaknesses were identified during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of The Housing Authority of the City of Westwego, Louisiana were disclosed during the audit.
4. No material weaknesses were identified during the audit of the major federal award programs.
5. The independent auditor's report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133 expressed an unqualified opinion on compliance with major programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
7. The program tested as a major program was:

CFDA 14.850 – Department of Housing and Urban Development – Public and Indian Housing.
8. The threshold used for distinguishing between Type A and Type B programs was \$300,000.
9. The Housing Authority of the City of Westwego, Louisiana qualified as a low-risk auditee for the year ended June 30, 2012.

Section II – Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards

No items to report.

THE HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)
FOR THE YEAR ENDED JUNE 30, 2012

Section III – Federal Awards Findings and Questioned Costs

Department of Housing and Urban Development
Finding No. 2012-01: CFDA 14.850 – Public and Indian Housing

Statement of Condition: The Housing Authority of the City of Westwego, Louisiana failed a REAC inspection scoring a 52c.

Criteria: According to HUD regulations, an inspection with a score of 60 or less must be reported as a finding.

Effect: The low score could affect future findings by HUD.

Cause of Condition: The problem cited by the inspectors was with windows which are part of the new capital improvement grant.

Recommendation: The Housing Authority of the City of Westwego, Louisiana complete the installation of new windows and ascertain all items cited by REAC inspectors be repaired or resolved. Possibly hire a facilities inspector.

Views of Responsible Officials and Planned Corrective Action: The Housing Authority of the City of Westwego, Louisiana agrees with the finding and the auditor's recommendation has been adopted.

Housing Authority of Westwego (LA011)
WESTWEGO, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2012

	Project Total	Subtotal	Total
111 Cash - Unrestricted	\$1,167,782	\$1,167,782	\$1,167,782
112 Cash - Restricted - Modernization and Development	\$1,523	\$1,523	\$1,523
113 Cash - Other Restricted	\$800,000	\$800,000	\$800,000
114 Cash - Tenant Security Deposits	\$38,236	\$38,236	\$38,236
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$2,007,541	\$2,007,541	\$2,007,541
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects	\$56,395	\$56,395	\$56,395
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous	\$835	\$835	\$835
126 Accounts Receivable - Tenants	\$8,442	\$8,442	\$8,442
126.1 Allowance for Doubtful Accounts - Tenants	-\$8,156	-\$8,156	-\$8,156
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$4,997	\$4,997	\$4,997
128 Fraud Recovery	\$2,416	\$2,416	\$2,416
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0
129 Accrued Interest Receivable	\$135	\$135	\$135
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$65,084	\$65,084	\$65,084
131 Investments - Unrestricted	\$345,349	\$345,349	\$345,349
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$77,699	\$77,699	\$77,699
143 Inventories	\$9,442	\$9,442	\$9,442

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)

WESTWEGO, LA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2012

	Project Total	Subtotal	Total
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$2,505,095	\$2,505,095	\$2,505,095
161 Land	\$2,284,014	\$2,284,014	\$2,284,014
162 Buildings	\$12,589,904	\$12,589,904	\$12,589,904
163 Furniture, Equipment & Machinery - Dwellings	\$272,151	\$272,151	\$272,151
164 Furniture, Equipment & Machinery - Administration	\$215,421	\$215,421	\$215,421
165 Leasehold Improvements			
166 Accumulated Depreciation	\$5,467,334	\$5,467,334	\$5,467,334
167 Construction in Progress			
168 Infrastructure			
169 Total Capital Assets, Net of Accumulated Depreciation	\$9,874,156	\$9,874,156	\$9,874,156
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$9,874,156	\$9,874,156	\$9,874,156
190 Total Assets	\$12,379,251	\$12,379,251	\$12,379,251
311 Bank Overdraft			

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)
WESTWEGO, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133 Fiscal Year End: 06/30/2012

	Project Total	Subtotal	Total
312 Accounts Payable <= 90 Days	\$92,227	\$92,227	\$92,227
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable			
322 Accrued Compensated Absences - Current Portion	\$22,599	\$22,599	\$22,599
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government	\$29,982	\$29,982	\$29,982
341 Tenant Security Deposits	\$38,236	\$38,236	\$38,236
342 Deferred Revenues	\$5,437	\$5,437	\$5,437
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other			
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$188,481	\$188,481	\$188,481
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current	\$17,049	\$17,049	\$17,049
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)
WESTWEGO, LA
Entify Wide Balance Sheet Summary

Submission Type: Audited/A-133 Fiscal Year End: 06/30/2012

	Project Total	Subtotal	Total
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	\$17,049	\$17,049	\$17,049
300 Total Liabilities	\$205,530	\$205,530	\$205,530
508.1 Invested In Capital Assets, Net of Related Debt	\$9,874,156	\$9,874,156	\$9,874,156
511.1 Restricted Net Assets	\$800,000	\$800,000	\$800,000
512.1 Unrestricted Net Assets	\$1,499,565	\$1,499,565	\$1,499,565
513 Total Equity/Net Assets	\$12,173,721	\$12,173,721	\$12,173,721
600 Total Liabilities and Equity/Net Assets	\$12,379,251	\$12,379,251	\$12,379,251

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)

WESTWEGO, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2012

	Project Total	Subtotal	Total
70300 Net Tenant Rental Revenue	\$880,434	\$880,434	\$880,434
70400 Tenant Revenue - Other			
70500 Total Tenant Revenue	\$880,434	\$880,434	\$880,434
70600 HUD PHA Operating Grants	\$561,621	\$561,621	\$561,621
70610 Capital Grants	\$52,591	\$52,591	\$52,591
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$2,153	\$2,153	\$2,153
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	\$43,384	\$43,384	\$43,384
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$1,540,183	\$1,540,183	\$1,540,183

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)
WESTWEGO, LA

Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2012

Submission Type: Audited/A-133

	Project Total	Subtotal	Total
91100 Administrative Salaries	\$180,743	\$180,743	\$180,743
91200 Auditing Fees	\$10,075	\$10,075	\$10,075
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$957	\$957	\$957
91500 Employee Benefit Contributions - Administrative	\$34,659	\$34,659	\$34,659
91600 Office Expenses	\$22,062	\$22,062	\$22,062
91700 Legal Expense	\$12,411	\$12,411	\$12,411
91800 Travel			
91810 Allocated Overhead			
91900 Other	\$77,157	\$77,157	\$77,157
91000 Total Operating - Administrative	\$338,064	\$338,064	\$338,064
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water	\$66,997	\$66,997	\$66,997
93200 Electricity	\$37,730	\$37,730	\$37,730
93300 Gas	\$89,438	\$89,438	\$89,438
93400 Fuel			

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)
WESTWEGO, LA

Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2012

Submission Type: Audited/A-133

	Project Total	Subtotal	Total
93500 Labor			
93600 Sewer	\$127,567	\$127,567	\$127,567
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense	\$59,919	\$59,919	\$59,919
93900 Total Utilities	\$381,651	\$381,651	\$381,651
94100 Ordinary Maintenance and Operations - Labor	\$196,886	\$196,886	\$196,886
94200 Ordinary Maintenance and Operations - Materials and Other	\$91,084	\$91,084	\$91,084
94300 Ordinary Maintenance and Operations Contracts	\$157,215	\$157,215	\$157,215
94500 Employee Benefit Contributions - Ordinary Maintenance	\$37,559	\$37,559	\$37,559
94000 Total Maintenance	\$482,544	\$482,544	\$482,544
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other	\$24,430	\$24,430	\$24,430
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$24,430	\$24,430	\$24,430
96110 Property Insurance	\$101,819	\$101,819	\$101,819
96120 Liability Insurance			
96130 Workmen's Compensation	\$21,448	\$21,448	\$21,448
96140 All Other Insurance	\$3,784	\$3,784	\$3,784
96100 Total Insurance Premiums	\$127,051	\$127,051	\$127,051

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)
WESTWEGO, LA

Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2012

Submission Type: Audited/A-133

	Project Total	Subtotal	Total
96200 Other General Expenses			
96210 Compensated Absences	\$22,599	\$22,599	\$22,599
96300 Payments in Lieu of Taxes	\$29,982	\$29,982	\$29,982
96400 Bad debt - Tenant Rents	\$6,909	\$6,909	\$6,909
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$59,490	\$59,490	\$59,490
96710 Interest of Mortgage (of Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$1,413,230	\$1,413,230	\$1,413,230
97000 Excess of Operating Revenue over Operating Expenses	\$126,953	\$126,953	\$126,953
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$293,984	\$293,984	\$293,984
97500 Fraud Losses			

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)
WESTWEGO, LA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2012

	Project Total	Subtotal	Total
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$1,707,214	\$1,707,214	\$1,707,214
10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$167,031	-\$167,031	-\$167,031
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$12,340,752	\$12,340,752	\$12,340,752
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

Housing Authority of Westwego (LA011)
WESTWEGO, LA

Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2012

Submission Type: Audited/A-133

	Project Total	Subtotal	Total
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	3600	3600	3600
11210 Number of Unit Months Leased	3529	3529	3529
11270 Excess Cash	\$1,312,270	\$1,312,270	\$1,312,270
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$169,591	\$169,591	\$169,591
11630 Furniture & Equipment - Dwelling Purchases	\$11,982	\$11,982	\$11,982
11640 Furniture & Equipment - Administrative Purchases	\$6,803	\$6,803	\$6,803
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 OFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

Note: Some amounts from this financial data schedule have been reclassified for presentation in the basic financial statements.

THE HOUSING AUTHORITY OF THE CITY OF WESTWEGO, LOUISIANA

COMMISSIONERS

PARNELL MORRIS, CHAIRMAN
ERIC LeBLANC, VICE CHAIRMAN
DELLING THIBODEAUX, III, COMMISSIONER
DWAYNE FAZANDE, COMMISSIONER
RODNEY de la GARDELLE, COMMISSIONER

1010 SIXTH STREET
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(504) 341-5255
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SHIRLEY M. ARCENEUX
EXECUTIVE DIRECTOR

ELLEN RIEDIE
ASSISTANT DIRECTOR

JODIE LUBAG
PROJECT MANAGER

TOYA JOHNSON
ADMINISTRATIVE COORDINATOR

DECEMBER 6, 2012

CORRECTIVE ACTION PLAN

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The Housing Authority of the City of Westwego, Louisiana respectfully submits the following corrective action plan for the year ended June 30, 2012.

Name and address of independent public accounting firm:

Paciera, Gautreau & Priest, LLC

3209 Ridgelake Drive, Suite 200, Metairie, LA 70002

Audit period: July 1, 2011 to June 30, 2012

The findings from the June 30, 2012 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section A of the schedule, Summary of Audit Results, does not include findings and is not addressed.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

1. CFDA #14.850 - Finding No. 2012-01

Recommendation: The Housing Authority complete the installation of new windows and ascertain all items cited by REAC inspector be repaired or resolved.

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Action Taken: The Housing Authority agrees with the finding and the auditor's recommendation has been adopted.

If the Department of Housing and Urban Development has questions regarding this plan, please call Shirley Arceneaux at (504) 341-5255

Yours truly,

THE HOUSING AUTHORITY OF THE CITY
OF WESTWEGO, LOUISIANA

By:


Shirley M. Arceneaux